



**4C Advisory Board
By-Law**

22 June 2020

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A Preamble

This by-law sets the rules for the mode of operation of the 4C Advisory Board. It also sets the tasks and organisational details of the regular Advisory Board meetings.

B Proceeding issues

§ 1 Release, change, abolishment, and announcement of this by-law

- (1) This by-law can be changed or abolished by the Advisory Board any time.
- (2) A simple majority of the appointed Advisory Board members is sufficient for resolutions. Abstention from voting is assessed as no-vote. Advisory Board members not attending the meeting are allowed to participate in the meeting and submit their vote by electronic communication (web meeting or teleconference).
- (3) This by-law becomes effective after approval by the Advisory Board.

C Tasks and responsibilities

§ 2 Basic principle

- (1) The 4C Board has an advisory function, providing guidance and direction for the management of 4C System GmbH. Decision making should be facilitated based on the expertise of the 4C Board members in different areas of the coffee sector and civil society. The Advisory Board consults 4C Services in their key fields of competence.
- (2) The decisions made within the Advisory Board meetings are not legally binding for 4C but are highly valued and followed in all conscience.
- (3) Participation as a member in the 4C Board does not imply any personal liability.

§ 3 Tasks

- (1) The 4C Board meets on a regular basis with the management of 4C System GmbH to review the development of 4C and to elaborate on strategic and major operational issues and the respective implementation measures.
- (2) The 4C Advisory Board members fulfil the following tasks:
 - (a) Exchange, discuss and advice to support the strategic future-oriented developments of 4C with their specific professional expertise and scientific background
 - (b) Monitoring
 - (c) Networking and communication with relevant stakeholders and customer groups in the relevant fields of research, civil society, and the private sector to increase the publicity and credibility of 4C.



§ 4 Confidentiality

- (1) All contents and topics discussed within the scope of the 4C Advisory Board (within meetings and beyond) are subject to the highest level of confidentiality.
- (2) The members of the 4C Advisory Board have the obligation to maintain secrecy regarding confidential information and secrets, namely business or trade secrets, which become known to such members through their activities on the Board. In particular, they shall maintain confidentiality in relation to reports they have received, confidential discussions and all matters discussed in the 4C Advisory Board meetings.
- (3) The duty of secrecy also continues beyond the end of the appointment as a member of the 4C Board.

D Advisory Board members

§ 5 Composition

- (1) The 4C Advisory Board contains representatives of the owners and up to six additional external members from relevant sectors and regions. 4C key stakeholder groups coffee producers, traders, roasters and brand owners, retailers, and research and civil society organisations should be represented in the 4C Advisory Board.
- (2) The composition of the external members should be equally distributed between the different stakeholder groups. An international composition of the Advisory Board shall be intended.
- (3) Substitutes will not be permitted, as it is an individual and not a company position that is selected.
- (4) The 4C Board is chaired by an independent Chairperson, and the chairperson is supported by one Vice chairperson. Chairperson and Vice chairperson should be elected by the board members immediately after the formation of the new 4C Board. Chairperson and Vice Chairperson are elected for a period of three years.

§ 6 Appointment of new members

- (1) New members are elected by the Advisory Board with simple majority. Abstention from voting is assessed as no-vote.
- (2) The nomination for the 4C Advisory Board is valid for the term of three years. Re-nomination for more than one term is possible.
- (3) The Advisory Board members can resign from the position at any time by written notification to the Chairperson.
- (4) Board members shall respect and act in accordance with the visions and motives of 4C Certification system



- (5) Any Board member may be only be dismissed for good reason. The competence for any dismissal lies with 4C; any such dismissal further requires a prior approval of the Board (single majority of the votes cast required).
- (6) Board members must be able to communicate in English, the official working language of 4C.

E Advisory Board meetings

§ 7 Frequency of meetings

- (1) The 4C Advisory Board should meet at least 1 time in a year in person. Additional meetings are possible, also virtually (e.g. telephone conference or shared screen session) and with specific thematic priorities, in coordination with the Advisory Board members.
- (2) 4C invites to the meetings. The invitation should include an agenda for the meeting.
- (3) The members of the 4C Board have the same rights and duties, and equal vote for passing resolutions.
- (4) The working language of the Advisory Board is English.

§ 8 Invitation period

- (1) Invitations to Advisory Board meetings should be sent out at least two weeks prior to the meeting.
- (2) In urgent cases it is possible to invite to extraordinary Advisory Board meetings without respecting the invitation period.

§ 9 Agenda

- (1) 4C prepares the draft agenda for the Advisory Board meetings.
- (2) The draft agenda is forwarded with the invitation in advance of the meeting
- (3) Proposals of Advisory Board members have to be considered.
- (4) The agenda of the Advisory Board meeting can be adopted, according to urgent and important requirements.



§ 10 Course of meetings

Advisory Board meetings will be headed by one of the Advisory Board members. Members will agree on one person at the beginning of the meeting.

§ 11 Publicity

- (1) Advisory Board meetings are not public.
- (2) If required, additional persons may be invited to attend the meeting for specific agenda items.

§ 12 Prejudice

Consultations and decisions affecting a member of the Advisory Board directly or indirectly should be done without the person affected.

§ 13 Decision making

- (1) Each Advisory Board member has a seat and a vote.
- (2) Voting is done by hand signal.
- (3) Decisions are always based on simple majority. Abstention from voting is counted as no-vote.

§ 14 Minutes

- (1) Minutes for each meeting must be prepared, entailing the results of the meeting and decisions made.
- (2) The minutes have to be signed by the keeper of the minutes after prior circulation to the participants of the meeting.
- (3) Every Advisory Board member receives a copy of the minutes. The minutes have to be kept confidential and should not be handed over to third parties.

F Validity

This by-law has been approved in the first meeting of the 4C Advisory Board on 22 June 2020, and became effective with immediate effect.